

## CONSENT AGREEMENT

The California Department of Toxic Substances Control (DTSC) enters into this Consent Agreement (Agreement) with The Regents of the University of California (UC) and Zeneca Inc. (Zeneca). The parties agree as follows:

1. On October 5, 2001, the California Regional Water Quality Control Board for the San Francisco Bay Region (RWQCB) issued Order No. 01-101 to Zeneca and Order No. 01-102 to UC (collectively, the RWQCB Orders), which required Zeneca and UC to investigate and remediate hazardous substances on the former Zeneca property and the adjacent UC Richmond Field Station. The RWQCB Orders designated portions of the former Zeneca property and the UC Richmond Field Station as the Meade Street Operable Unit (MSOU). On October 19, 2005 the RWQCB issued Order No. R2-2005-0054 to Zeneca and Order No. R2-2005-0055 to UC, rescinding the RWQCB Orders.

2. Between 2002 and 2005, inclusive, Zeneca and UC performed remediation at the MSOU under the supervision and jurisdiction of the RWQCB which, among other things, involved the excavation, treatment, off-site disposal, and/or placement of certain materials on the former Zeneca property in accordance with the Conceptual Remediation and Risk Management Plan approved by the RWQCB.

3. In May 2005, the California Environmental Protection Agency designated DTSC as the lead environmental agency for environmental investigation and remediation of the former Zeneca property and UC Richmond Field Station.

4. On February 8, 2005, DTSC issued a Site Investigation Order, Docket No. 4/05-006 that addressed the uplands portion of the former Zeneca property. That Order remains in effect. On September 15, 2006, DTSC issued Site Investigation and Remediation Order No. IS/E-RAO 06/07-005 (the DTSC Order) to Zeneca, UC and other respondents. The DTSC Order requires further investigation of the former Zeneca property, then and currently owned by Cherokee Simeon Venture I, LLC (CSV), and additional remediation to the extent such work was deemed necessary by DTSC. Subsequently, the Respondents to the DTSC Order have conducted additional soil and groundwater investigations across the former Zeneca property, including in the area where material from the UC Richmond Field Station was placed. The results of these investigations have been submitted to DTSC.

5. Respondents to the DTSC Order submitted to DTSC a Human Health Risk Assessment (HHRA) for Lots 1-3 of the former Zeneca property, including the area on Lot 3 where treated material from the UC Richmond Field Station was placed and capped. The HHRA evaluated the potential human health risks presented by the Lot 3 placement area during and following future site development and concluded that a cap over the material would be protective of potential future commercial/industrial workers, multi-family residents, recreational users, and visitors to the former Zeneca property. Per the HHRA and the Feasibility Study and Remedial Action Plan subsequently prepared for Lots 1-3 of the former Zeneca property, certain portions of the property, including Lot

3, will be deed restricted preventing unrestricted use. DTSC approved the HHRA on October 29, 2008.

6. On September 15, 2006, DTSC issued Site Investigation and Remediation Order No. I/SE-RAO 06-07-004 (the UC Order) to UC, Zeneca, and Bayer Crop Science Inc., requiring those Respondents to conduct an investigation of the UC Richmond Field Station and to perform additional remediation at the UC Richmond Field Station if such work were deemed necessary by DTSC. The Respondents to the UC Order have submitted a Current Conditions Report to DTSC that describes the condition of the UC Richmond Field Station after performance of the remedial work conducted at the MSOU between 2002-2005. DTSC subsequently approved the Current Conditions Report. Additional investigations and remediation of the UC Richmond Field Station remains to be performed under the terms of the UC Order.

7. On June 29, 2007, DTSC issued a Summary of Violations to Zeneca and a separate Summary of Violations to UC, each alleging that Zeneca and UC violated the provisions of the Hazardous Waste Control Act (commencing at Section 25100) of the California Health and Safety Code. DTSC subsequently issued a revised Summary of Violations to Zeneca on September 28, 2007, which superseded the June 29, 2007 Summary of Violations. Collectively, the applicable Summary of Violations shall be referred to as the "SOVs."

8. On March 27, 2009, DTSC issued Complaint Investigation Reports dated July 18, 2008, to Zeneca and UC and a Complaint Investigation Report Amendment to UC dated November 7, 2008 (referred to collectively as "Investigation Reports"), which provide further detail regarding the allegations contained in the SOVs and raise additional alleged violations.

9. Zeneca and UC make no admission of liability for the violations alleged in the SOVs and Investigation Reports. The parties enter into this Agreement in order to avoid the expense, uncertainty, and delay associated with litigation and to achieve a prompt resolution of the matter.

10. This Agreement fully resolves all violations alleged in the SOVs and Investigation Reports and shall constitute a full settlement of all violations alleged in the SOVs and Investigation Reports, including, but not limited to DTSC's legal fees and costs incurred in connection with the enforcement matter. In consideration of the payments described below, DTSC agrees and covenants not to take further administrative action or to file litigation against Zeneca, UC or their parents, subsidiaries, affiliates, officers, directors, employees, agents, consultants, and contractors for the alleged violations and corrective action set forth in the SOVs and the Investigation Reports. However, DTSC retains all of its rights and responsibilities to address any potential public health and environmental impacts at the former Zeneca property and the UC Richmond Field Station, whether related to the alleged violations or not. Such additional actions that DTSC may take include, but are not limited to: issuance of further orders



requiring investigation and/or remediation of site conditions.

11. This Agreement shall not affect the ongoing obligations of UC and Zeneca to comply with the requirements of the three Site Investigation and Remediation Orders issued by DTSC, or any subsequent orders or agreements, including any obligation to pay for DTSC's related oversight costs.

12. The parties acknowledge that they have been advised by legal counsel of the provisions of California Civil Code Section 1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in her or her favor at the time of executing the releases, which if known by him or her must have materially affected his or her settlement with the debtor.

The parties, being aware of said Code section, hereby expressly waive any rights they may have thereunder, as well as under other statutes or common law principles of any other state or jurisdiction of similar effect.

13. The failure of Zeneca or UC to comply with the terms of this Agreement shall not impact the rights of the other to obtain resolution and final settlement of the matters addressed herein.

#### SCHEDULE FOR COMPLIANCE

1. Zeneca shall pay the Department \$112,500 in civil penalties within sixty (60) days of final execution of all parties to this Agreement. The check shall be made payable to: Department of Toxic Substances Control and shall be mailed to Department of Toxic Substances Control, 1001 I Street, P.O. Box 806, Sacramento, CA 95812-0806;

2. Zeneca shall pay \$112,500 to the Richmond BUILD Pre-Apprenticeship Construction Skills & Solar Installation Training program as a DTSC-approved Supplemental Environmental Project (SEP) within sixty (60) days of final execution of all parties to this Agreement;

3. UC shall pay the Department \$142,500 in civil penalties within sixty (60) days of final execution of all parties to this Agreement. The check shall be made payable to Department of Toxic Substances Control and shall be mailed to Department of Toxic Substances Control, 1001 I Street, P.O. Box 806, Sacramento, CA 95812-0806;

4. UC shall pay \$142,500 to the Richmond BUILD Pre-Apprenticeship Construction Skills & Solar Installation Training program as a DTSC-approved SEP within sixty (60) days of final execution of all parties to this Agreement.

5. Zeneca and UC shall each provide simultaneous copies to DTSC (at the address specified herein) of the checks issued to Richmond Build pursuant to Paragraphs 2 and 4 immediately above.

Dated: June 3, 2009

Zeneca Inc.

By: 

Name: Luke W. Mette

Title: its Vice President

<sup>May</sup>  
Dated: June 29, 2009

The Regents of the University of California

By: 

Name: Charles Robinson

Title: Vice President & General Counsel

Dated: June 5, 2009

California Department of Toxic Substances  
Control

By: 

Name: Gale Filtek

Title: Deputy Director

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